



# City of Loma Linda Official Report

Floyd Petersen, Mayor  
Stan Brauer, Mayor pro tempore  
Robert Christman, Councilmember  
Robert Ziprick, Councilmember  
Charles Umeda, Councilmember

COUNCIL AGENDA: July 17, 2006

TO: City Council

SUBJECT: Joint meeting of the City Council and Redevelopment Agency  
regarding the 2006-2007 fiscal year budget



July 13, 2006

City Council  
City of Loma Linda  
City Hall  
25541 Barton Road  
Loma Linda, CA 92354

Dear City Council Members,

The best interests of the City of Loma Linda including the city council, elected leaders, management staff, employees, and the citizens of Loma Linda have been and always will be my top priority. As such, please consider this proposal from my company Information Systems Management Solutions, Inc. (ISMS).

The Loma Linda Connected Community Program (LLCCP) has been recognized nationally as an innovative example for public – private collaboration toward the development of a state-of-the-art broadband communication system. With your support and through my personal vision, leadership, commitment and hard work, LLCCP is poised to deliver great things to Loma Linda. We have accomplished great things together, but there is much left to accomplish.

At this crucial juncture, and in light of recent staffing and resource developments, it has become apparent that changes or significant decisions need to be made with regard to the Information Systems staffing level for both the City and the LLCCP project. It is untenable, given the current staffing allocation to manage, operate and grow with just two experienced personnel. With that in mind, I ask that you review this proposal as a viable solution. A positive decision to accept this proposal may be one of the most important decisions the City will make over the next 50 years.

To maintain progress with LLCCP and other critical projects, I am proposing that the City of Loma Linda outsource IT operations to ISMS as defined in the detailed proposal included with this letter. Of course, if this proposal is accepted in full, I will then subsequently tender my resignation to clear any perceptions of conflicts of interest. The result will be zero loss of progress on all associated IT projects for Loma Linda.

Please consider the following reasons for outsourcing IT responsibilities to ISMS, Inc.

1. ISMS will be able to secure more qualified personnel for ongoing LLCCP and City IT projects.
2. The City will gain a significant advantage by gaining access to specialized skills by outsourcing to the IT staff of ISMS.
3. ISMS will provide more consistency for IT projects and technology integrations than can be provided alone by the City.
4. The City will save on manpower, training costs, and capital expenses.
5. The City will have a predictable cost structure of IT staff.
6. The City will be able to leverage ISMS's extensive investments in technology, methodologies and people.
7. The City will benefit from ISMS's expertise in solving problems for a variety of clients with similar requirements.
8. The City will obtain needed project management and implementation consulting expertise, along with access to best practices and proven methodologies.

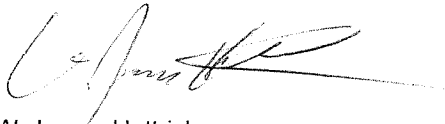
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9. The City will reduce the overall IT management burden while retaining control of strategic decision making.
10. The City's advantages for economic development will be maintained by applying the cumulative experience of the ISMS team from working on current and past IT projects.
11. My personal involvement will ensure that LLCCP and the City's IT projects will maintain top priority.
12. My intimate knowledge of the inner workings of the City and of the status of on-going projects will guarantee efficient use of time and resources.
13. The perceived conflict of interest in my ownership of ISMS will be eliminated.
14. As a leader and national figure in the Connected Community and FTTX movements, I can greatly assist with Loma Linda's immediate and long-term Economic Development strategies and implementation.

Please consider this sincere offer for my continued commitment to the City of Loma Linda through my company ISMS.

I will guarantee my personal on-going commitment to the City of Loma Linda's IT initiatives. My intimate knowledge of City operations along with the advanced abilities of the ISMS staff will continue the progress with LLCCP and other IT projects. I appreciate your consideration of this offer and welcome your questions and your ultimate acceptance.

Sincerely,



W. James Hettrick  
President & CEO  
Information Systems Management Solutions, Inc.